



# CITY OF TROUTDALE

"Gateway to the Columbia River Gorge"

## AGENDA

CITY COUNCIL - REGULAR MEETING  
TROUTDALE CITY HALL  
COUNCIL CHAMBERS  
104 SE KIBLING AVENUE  
TROUTDALE, OR 97060-2099

Mayor

Paul Thalhofer

### City Council

Pat Smith  
David Ripma  
Bruce Thompson  
Jim Kight  
Paul Rabe  
Doug Daoust

7:00 P.M. -- January 25, 2000

- (A) 1. PLEDGE OF ALLEGIANCE, ROLL CALL, AGENDA UPDATE
- (A) 2. CONSENT AGENDA:
  - 2.1 Resolution: A Resolution recognizing the completion of the Capital Improvements associated with the Harlow Canyon Restoration and accepting them into the City's Fixed Asset System.
  - 2.2 Resolution: A Resolution declaring certain personal property as surplus and authorizing disposal.
- (I) 3. PUBLIC COMMENT: Please restrict comments to non-agenda items at this time.
- (I) 4. COMMENDATIONS AND AWARDS
  - 4.1 Public Safety Award: Mike Coulter Chief Berrest / Officer Copeland
- (I) 5. PRESENTATION: A presentation of the CAFR and Audit Report for Fiscal Year 1998-99 Wiesinger
- (I) 6. REPORT: Parks District Robert VanderBorg
- (A) 7. RESOLUTIONS: Resolutions relating to the transient lodging tax proposal. Mayor Thalhofer
- (A) 8. REQUEST: Request for deviation from Public Works Construction Standards. Joe Haddad
- (I) 9. DEPARTMENT REPORTS:
  - 9.1 Finance Wiesinger
  - 9.2 Public Safety Berrest
  - 9.3 Community Development Faith

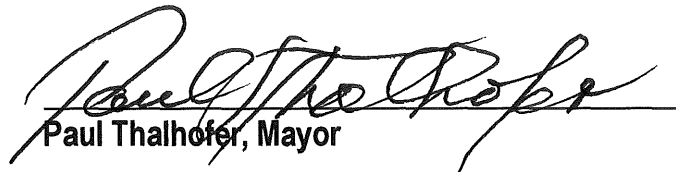
- 9.4 Public Works
- 9.5 City Attorney
- 9.6 Executive

Galloway

Sercombe

Kvarsten

- (I) 10. COUNCIL CONCERNS AND INITIATIVES
- (A) 11. ADJOURNMENT



Paul Thalhofer, Mayor

Dated: 1-20-00

**MINUTES**  
**Troutdale City Council - Regular Meeting**  
**Troutdale City Hall**  
**Council Chambers**  
**104 SE Kibling Avenue**  
**Troutdale, OR 97060-2099**

**January 25, 2000 7:00pm**

Meeting was called to order at 7:00 p.m. by Mayor Thalhofer.

**1. PLEDGE OF ALLEGIANCE, ROLL CALL, AGENDA UPDATE**

Mayor Thalhofer called on Councilor Thompson to lead us in the Pledge of Allegiance.

**PRESENT:** Ripma, Thompson, Kight, Rabe, Daoust, Thalhofer, Smith (7:10).

**STAFF:** Galloway, Faity, Wiesinger, Lt. Nelson, Copeland, Kvarsten, Sercombe, Stickney.

**GUESTS:** Michael Coulter, Sam Allen, April Christian, Jacqueline Coulter, Phil Peach, Patricia Skowrow, Loreen Suobida, Mike Oswald, Adam Oswald, Ron Johnston, Steve Ellis, Shannon Turk, Scott Worthington, Joseph Elkhil.

Mayor Thalhofer asked are there any agenda updates?

Kvarsten replied we have no changes this evening.

**2. CONSENT AGENDA:**

**2.1 Resolution: A Resolution recognizing the completion of the Capital Improvements associated with the Harlow Canyon Restoration and accepting them into the City's Fixed Asset System.**

**2.2 Resolution: A Resolution declaring certain personal property as surplus and authorizing disposal.**

Mayor Thalhofer called this item and read the consent agenda.

**MOTION: Councilor Thompson moved adoption of the consent agenda. Seconded by Councilor Kight.**

**YEAS: 6**  
**NAYS: 0**  
**ABSTAINED: 0**

**3. PUBLIC COMMENT: Please restrict comments to non-agenda items at this time.**

No public comment.

#### **4. COMMENDATIONS AND AWARDS**

##### **4.1 Public Safety Award: Mike Coulter**

Mayor Thalhoffer called this item.

Officer Copeland stated on June 30, 1999 Mike Coulter was working at Travel Centers of America Truck stop as the night manager. That night there were two children in the truck stop playing games in the game room. The kids were 12 year old Natividad and his 9 year old sister Jennifer. Mike and another man noticed the kids and became concerned when they saw a suspicious looking man following the kids around and hanging out in the arcade room with them. Mike asked the kids if the man was there Uncle or other relation and kids said that they had just met him. Mike had seen the man talking to the kids next to his truck and he wrote down the description and license plate number. Mike got busy and he asked an employee to watch the mans truck. When 9 year old Jennifer turned up missing the truck was gone also. Mike called 911 and then gave Jennifer's parents the information that he had written down. Jennifer's parents found the truck and rescued their daughter just as Officer Boyce, Licht and myself arrived on the missing child call. Unfortunately the man, Robert Atkins, had already raped and terrorized the little girl. However, because Mike cared enough to get involved, Jennifer was quickly reunited with her family and Mr. Atkins will be in prison for over 30 years. It is a good feeling playing a part in putting a man like Robert Atkins where he belongs, but I think it is important that we recognize those citizens who play a key role in enabling us to do that.

Officer Copeland presented Mike Coulter with a plaque on behalf of the City of Troutdale that stated: "The City of Troutdale Public Safety Award, for caring enough to get involved in helping the Police Department keep our community safe."

Mayor Thalhoffer stated it is important that we honor the heros in our community.

#### **5. PRESENTATION: A presentation of the CAFR and Audit Report for Fiscal Year 1998-99**

Mayor Thalhoffer called this item.

Wiesinger introduced Ray Barlow of Grant Thornton.

Barlow stated I want to take a few moments to present our audit report letters which are included in the CAFR as well as go over the performance review. We found the books and records of the City to be in good order throughout our audit. Based on our audit procedures we were able to issue our audit report. Our audit report concluded, on page 3 in the CAFR in the opinion paragraph, "in our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Troutdale, Oregon as of June 30, 1999 and the result of its operations for the year then ended in conformity with generally accepted accounting principles". That is an unqualified opinion or a clean opinion. There are two additional audit reports in the back of this document. The first one relates to specific compliance items that we looked at in accordance with Oregon Auditing Standards. Those are looking at the collateral, indebtedness, taxes on motor vehicle, budget, insurance investments public contracts and purchasing. The results of our tests indicate that, with respect to the items tested, the City of Troutdale complied in all material respects, except for an uncollateralized deposit in the amount of \$3,930 for one day. The last report is a report of the internal control, we don't test the system but we document it and we found no exceptions. Moving on to the performance review, which consists of a couple of pieces. A section where we bring up what we call management comments which we

share with the Finance Department and with you. On page 6, the prior year comments, the first item was certain disclosures for Y2K issues and those disclosures were made in the current year financial statements so the City is in compliance as far as those go. We also made a comment on untimely clearing of checks in the prior year and made a recommendation, we noticed in the current year that there are still some outstanding checks from 1993 and made a recommendation to look into voiding those or turning them over to State Lands and I believe the Finance Department is taking action on those. We made some comments in the prior year on the maintenance of the Appeals - Bail account that the balance had grown over the years, during the current year we noticed that it was being reconciled timely and because of that the balance had decreased back to a more appropriate level. We also made comments on the numbering of public contracts to help stay in compliance with Oregon Statutes and through the current year we noticed that we had no problem finding any of the contracts and appears that there is good organization. The current year comment talks about checks issued and held. We noted that there were a number of checks that were written before June 30<sup>th</sup> but still had not been issued. In discussion with the Finance Department, this appears that this was an isolated incident where some transmit letters had to be drafted in order to transmit those checks. Our comment was to minimize the amount of time that authorized signed checks are in the office before they are sent out to minimize the opportunity for those checks to end up being lost or in the wrong hands. I would say those comments are of no real significant items. The second part of the performance review goes into a financial analysis of a pretty high level.

Councilor Daoust stated it is gratifying to see a clean opinion again.

Barlow stated there are some new accounting rules on the horizon. GASB 34( Governmental Accounting Standards Board) will have new rules on how financial statements are to be presented. There will be some changes coming up. There are different phases on when you have to comply with these rules. Based on the total revenues that the City of Troutdale has, the first year you will have to be in compliance with these rules will be the fiscal year ending June 30, 2003. One of the most significant changes is, currently in the financial statement, infrastructure is not recorded, but it will be required to be reported in that first year.

#### **6. REPORT: Parks District**

Mayor Thalhoffer called this item and stated that the presenter of this item is not here, so we will pass this item for now and go back to it when they show up.

#### **7. RESOLUTIONS: Resolutions relating to the transient lodging tax proposal.**

Mayor Thalhoffer read the Resolution title and called on Metro Councilor Rod Park.

Rod Park stated tonight I am asking for your help. I am asking you to help those who have stepped up to the plate and have asked for our help to do something better for our area without raising property taxes and that is the expansion to the Oregon Convention Center as well as some other amenities that go with it. What you have in front of you is what I have been able to accomplish which is securing for East County the portion that I thought was unfair in the original agreement which was East County hotel/motel taxes going to support Civic Stadium. Civic Stadium under the current agreement is being returned from being a Metro facility region wide to the City of Portland. In reading through the agreement one of the things I thought was unfair was trying to take money

from East County cities and putting it directly into the City of Portland. The part about that is if you tract the money that comes from East County that goes into that facility but then any money generated stays with the City of Portland in that agreement and in the end they end up with a facility. Through negotiations we were able to come up with the latest intergovernmental agreement that has not been officially released yet. In that agreement, any funds collected from the East County cities for Civic Stadium, will be returned for promotion of tourism in East County cities. Hopefully the tourism will increase as the rest of the funds expand the Convention Center and that we have the opportunity to factor those, hopefully through a good marketing plan for the East County. We have an excellent opportunity as these conventions come through to pick up the pre and post convention business. I understand that is a concern of some, that they are concentrating solely on the convention itself. Through my other life, being a nurseryman, I compete with multi-million dollar companies and you wonder how does a small person compete. Well you niche a market and the fact that those big companies are bringing those clients into Oregon. That is the way I envision East County, in terms of taking part of that business that comes into Oregon. I want to thank the private sector on this deal. In 1998 there was about \$1 billion dollars in property taxes that were being requested and the voters said no, however the private sector looked at it and they came up with a different plan that doesn't cost our residents anymore property taxes. The other part is I have to thank the City of Portland in the fact that they are willing to put up their triple "A" bond rating and fund and back the credit on the bonds. Without their backing this would not be possible. The fact that they are willing to do this even though they don't own the building, they don't have control over the funds and the fact is if something were to go wrong in this type of system their citizens are stuck holding the bill for the unpaid debt. I will be glad to answer any questions that you have.

Councilor Daoust asked do you happen to recall, what the room rate differential is between East County hotels versus the hotels along the I-205 corridor which would be the nearest group of hotels that people would go to?

Park replied I am not familiar with that.

Councilor Daoust stated I recalled one person at the Four Cities meeting saying that he called hotels in Troutdale, and if I recall correctly they were around \$50 to \$70 a night and then he called the Monarch Hotel which is on the I-205 corridor and there rates were \$120.

Mayor Thalhoffer stated could you go over the Memorandum of Understanding(MOU) that is being revised, that is regarding what we have been talking about.

Park stated the MOU is actually not being revised. The details are being worked out through the Intergovernmental Agreement. The part that pertains to East County, this document has not been released yet, is essentially saying that funds that are collected from east Multnomah County cities, they will be audited by Multnomah County, that portion that is collected for Civic Stadium, an equal amount will be put back into the visitor development fund by the City of Portland and that can be distributed by marketing tourism east of the City of Portland in Multnomah County. That was a hard fought condition that did not exist before.

Mayor Thalhoffer asked what has been the rate of decline of the revenue at the convention center due to the lack of space?

Park replied I don't have that figure with me. I do know that it is a large concern to the hotel

industry. The Convention Center interestingly enough, as a Metro facility, we are not directly impacted. Whether we rent it out to conventions or local trade shows it still generates funds. Who is really suffering however is the hotel industry who really depend on those folks coming from out of state putting dollars into room stays. There is increased competition from San Francisco, Salt Lake, Denver and others who have increased the size of their convention centers, because we can not hold certain things because we are not large enough.

Councilor Daoust stated at the Four Cities meeting we learned that the cities of Gresham, Wood Village and Fairview had already passed resolutions supporting the tax.

Park replied Wood Village and Fairview adopted action to endorse the resolution that I had at Metro. The resolution that Gresham passed goes beyond that in laying out some of the issues just like your resolution.

Councilor Daoust asked since that meeting have you heard any change of mind from those three cities or reconsideration?

Park replied no I have not.

Councilor Daoust stated so one of the resolutions that we have in front of us tonight, in support of the hotel/motel tax is similiar to the one Gresham approved in that the City of Troutdale would support use of regional funding source for regional facilities, is that the main distinction?

Park replied yes.

Councilor Daoust stated in other words Civic Stadium is not under the support of this resolution.

Park replied correct.

Mayor Thalhoffer asked that you have indicated that there were some inaccuracies in some information that had been passed out to all of us, do you have an example to that?

Park replied in a prepared document by Councilor Kight at the Four Cities meeting there was some information regarding occupancy rate. It was stated that the occupancy rate was 70% in Clackamas and Washington County and on the fact sheet that was prepared by Smith Travel Research, an eminent authority on hotel statistics, showed that the occupancy rate in East County was 54.8%, for Washington and Clackamas County the rates were 59.6% and 58.5% respectively. It was also stated in that information that independent hotel/motel operators that do not have properties in down town Portland are opposed to this tax and it is stated in the facts that the Oregon Convention Center expansion is supported by a wide cross section of properties both large and small. Supporters of the project include hotels throughout Multnomah County including many East County properties, members of the Airport Coalition Hotel, several Jantzen Beach hotel properties and Tri-County Lodging Association. There is also a statement that hotel/motel tax will collect \$450,000 in excess of the county tax required to pay for the identified facility. Just like any other business there were projections that were run based upon certain interest rates early on, according to the people running this, those excesses just don't exist. All the money raised will be needed and dedicated.

Mayor Thalhoffer stated there were a couple of hotels being named as being opposed to the

hotel/motel tax, one being Inn of America and the other is Motel 6.

Park replied maybe I find this the most troubling of everything that I have seen so far. First of all I have received communication that both Motel 6 and Inn of America have withdrawn their letter of their opposition. I have a concern about how the pole was taken, how it was phrased in terms of discussing the tax only without the potential benefits and maybe more disturbing is the fact, were these general managers notified that their names would be used in a public document. The fact that there is much difference in calling a local hotel that has many branches and asking the general manager if you want the tax and obviously no one likes being taxed, versus the corporate headquarters who signed on to the agreement and understands the agreement and signs that general managers paycheck.

Councilor Ripma stated our letter from Inn America is signed by Mr. McKnight, he owns the inn.

Park replied that the letter that I received from Mr. Alessandro and I will read it to you; "this afternoon I had the opportunity to speak with Mike Fery and Bruce Fery, co-owners of the Inn America in Troutdale. After a detailed discussion of the merits of the plan to expand the Oregon Convention Center, they have decided to withdraw their letter of opposition. The expansion of the Oregon Convention Center will provide significant economic gain to all of Multnomah County. When the factual information about the plan is shared with interested parties, the merits and benefits become understood and appreciated. I appreciate your support of Multnomah County's visitor industry".

Councilor Ripma stated the letter I have is from the owner not Mr. Alessandro who doesn't work for Inn America.

Park replied however in his discussion with the co-owners, who he forwarded this letter on their behalf, they do own it.

Councilor Ripma stated this is a discussion about a tax that Multnomah County is intending to impose in the County to support a \$100,000,000 expansion of the Oregon Convention Center. It is being done because of the failure of the bond issue in the last general election in which it was considered. I credit the hotel/motel industry for coming forward with a proposal that they would tax themselves in order to fund the expansion of the convention center. The problem I have with the tax, and it is strictly on the facts, is the geographical distribution of the tax. The way it is imposed to support this Metro facility is inconsistent with its supposedly regional character. I have prepared a map to demonstrate to you visually. The tax is applied to all the cities colored in yellow, outside of Portland which is the city that directly benefits from the expansion of the convention center. And if you notice it is not very widely distributed across the Metro region, in fact it is just Troutdale, Wood Village, Fairview and Gresham. I think that is a reason for us to ask them to go back to the drawing boards and come back with something more fair. Our hotels and motels here in town will not benefit any more than Beaverton, Hillsboro or Lake Oswego, yet our hotels are paying the tax. So, the objection that I have as a Councilor representing Troutdale and having spoken with owners and managers of hotels in Troutdale all of whom are opposed to it, is we are being taxed and we weren't included in the deal we weren't even included in the discussions. I have a resolution that will reject this tax with the idea being, please go back to the drawing board. The basic idea is okay. I would like you to know that this is not hostility to the Oregon Convention Center nor is it a hostility to Metro, it is just unfair to Troutdale and I think we should stand with our businesses in



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town who are victimized by it. I want to say that I appreciate Metro Councilor Rod Park's efforts to compromise this, he has done a lot of work on this. I just think that the tax is so unfair to Troutdale that I can not support it. I think it has an adverse impact on our local hotels that represents a loss to the citizens of Troutdale. Higher prices will cause a loss of business at our hotels, it reduces their profits, it reduces the number of people they can hire and the property taxes that the business will pay. I also point out that Troutdale, with the cooperation of local hotels and motels, now fund our local Chamber of Commerce with a hotel/motel tax. This new county tax raises our taxes so high that it eliminates the opportunity to ever do such a cooperative venture again, which is a deterrent to our local efforts to promote tourism. As for the guarantees, I actually talked to Dan Cooper, who is the attorney at Metro, in Rod Park's office about the provisions that are supposedly there to protect us and give us some of our money back. It is legal ease but, any money left over after, and the money that we would get back only comes from Civic Stadium revenues not money we are paying into these bonds, after deducting the operating costs including reasonable operation and maintenance costs and reserves determined by the City of Portland. I know it is the city that works, but I don't trust them to have any money left over for us. Mr. Park, I have mentioned this before and we have argued about it and I have talked to our City Attorney and there just isn't any way for us to not pay off these bonds if we are included in the tax, so there is just no way to make it fair. Although I do commend Metro Councilor Park for his efforts to try. I think we are better able to use the funds for our own hotels, to promote our own tourism. Although we appreciate the help of the experts down town, I really rather they didn't impose the tax.

Councilor Daoust asked on a \$60 motel room, we are talking \$1.50, do you make a decision on where to stay in a motel when you go to a conference based on \$1.50. You made the statement that our hotels out here would be put at an economic disadvantage, is \$1.50 to you an economic disadvantage?

Councilor Ripma stated Councilor Daoust, let me explain something about free enterprise. The people who book blocks of rooms for conventions do compare prices, individual travelers do compare prices. I might add that the managers of the hotels here in town believe it will hurt them and I defer to their expertise.

Councilor Daoust stated of course they compare prices, I have set up conferences myself and you do compare prices but the room rate itself is by far the biggest difference in prices when comparing where you are going to stay.

Councilor Ripma asked do you think this is a fair distribution of this tax?

Councilor Daoust stated we agree that it is not a fair distribution of the tax, I think everybody agrees to that. I think the resolution we have before us supporting the tax in fact says that, that it is not fair. That is not a reason Councilor Ripma to throw the baby out of the bath water and reject the tax completely because Troutdale does benefit from the Oregon Convention Center.

Councilor Ripma replied I think it is actually a reason to throw it out. By saying no, Troutdale's voice is small here, but on principal we should support our local businesses.

Sam Allen owner of the Monarch Hotel. I also have properties inside the City of Portland and I will be subject to the tax. Just some brief history which might help clarify some of the things and some

of things are going to be contrary to what Mr. Park stated. This little episode with the Tri-County Lodging Association (TCLA) and the supposed support of the lodging industry is not accurate. It was the four members of the Board of Directors of Tri-County Lodging Association that has gone and done all of the negotiating with the City of Portland and Metro to get this tax passed. I got involved approximately three weeks ago, I am also the one who sent out the questionnaire. If he was unhappy with the way the question was written, I would be happy to read it to you and you judge if it was an unfair questionnaire. I sent this letter out to 74 members of the Tri-County Lodging Association, I also sent it out to the non-members of Tri-County Lodging Association and I believe that number was approximately 104, these were members of Oregon Lodging Association (OLA), our state-wide association. The questionnaire read: By now you have received a recent correspondence from various hotel/motel operators regarding the proposed 2.5% increased Multnomah County hotel/motel room tax bringing the total to 11.5% that would fund the expansion of the Oregon Convention Center (OCC), renovation of Civic Stadium, Tri-Mets Fareless Square, a proposed business industry development fund, and a \$20 million subsidy for the Performing Arts Center. Although the Board of Directors of the Tri-County Lodging Association purports to have kept us members completely informed and we supposedly reached consensus on this matter, some of us are concerned as to whether this is accurate. We have petitioned the TCLA Board for a special membership meeting as provided for in their bylaws, to discuss this as well as their decision to replace OLA's chapter management services with an outside administrator. The board has not yet scheduled such a meeting. The board has yet to schedule such a meeting, and we have doubts that they are going to schedule it before Multnomah County votes. In the meantime we have decided to conduct our own straw pole to determine the level of support for the tax increase and the OCC expansion. Please complete the ballot below and return it to us as indicated. The ballots will be kept strictly confidential and only the tabulated results will be released. Once the special meeting of the TCLA is scheduled we strongly urge your attendance so that we have an open and candid discussion of the matters at hand. Thank you for your assistance. Question: Do you support a 2 ½% increase in Multnomah County hotel/motel room tax? I ask you, is there anything unfair about that pole? I also asked for the property name and whether it was Multnomah, Clackamas or Washington County. The other part was just concerning the replacement of management. The results of that pole, as of 3pm today the vote was 61 no and 5 yes. Does that tell you that the lodging industry supports the room tax increase. I will also share with you a couple of other things. This is from a American Economic Group, it is a national study on the effects of room tax increases as far as occupancy. For each 2% room tax increase it is an approximate 5% decrease in the occupancy of hotels. What you are hearing tonight is potentially a mixed message because everything that you have heard in the past has been that the hotels are in support of the room tax increase, that is not accurate. This mailer went out last Wednesday night and the next day by fax I had 25 responses. The question was asked earlier about the room tax discrepancy between Portland, Clackamas and Washington County. I do have three hotels in Clackamas County, our room tax is 6%. Currently I am at 9% in Portland and if you think that won't have an impact on business, the difference between 6% and 11.5%, it does. The supposed \$500,000 a year for the marketing of East County, that is after everything else is paid for, that is not before, it is not the first \$500,000 of the tax, it comes at the end.

Councilor Kight asked what do you think the impact would be to Troutdale if the new tax of 2.5% brings our room tax up to 12.45%? I have recent information that our revenue to the City of Troutdale on our hotel/motel industry has dropped by \$9,000. By adding another 2.5% increase to the tax, should we look for an increase or a decrease in revenues?

Allen replied I would suggest that it would be a decrease. That is also a factor of over-building. Every hotel is suffering from reduced occupancy because it is being spread out more.

Councilor Rabe asked that would it be fair to say that the TCLA endorsement is not really an endorsement across the board but that of a select few people?

Allen replied yes.

Councilor Rabe asked would it be fair to say that those board members do in fact represent the industry?

Allen replied no.

Councilor Rabe stated I have three documents here from every city except Troutdale that endorses this particular resolution that we are discussing, I was curious as to whether any of those cities prior to their endorsement, did they have any knowledge of this data?

Allen replied no.

Councilor Daoust stated if you would have included on your questionnaire a question like this, would expansion of the Oregon Convention Center create a healthier market place for you? How do you think your responses would have addressed that question.

Allen replied I expect I would have received that exact same vote. The reason I say that is, contrary to what you heard earlier, I have three hotels on the I-205 corridor, there is one convention per year that we get some business from and that is Amway. That is the only convention that goes out as far as 205, now if you think they are going to come to Troutdale before or after the convention, they might take the loop but I don't think they are going to stay here.

Councilor Daoust asked would your answer be the same if the Convention Center was expanded and made bigger so we could bring in larger conventions?

Allen replied I don't think it is going to make any difference. If Commissioner Park had his facts straight, the bad part about this is everybody throws out numbers and they don't back it with anything. He said that the Convention Center is currently 10% convention and 90% trade shows, do you understand what that really means. They call a full house in the Convention Center about 160 to 180 days a year. If you take 10% of that you are talking 16 to 18 days a year.

Councilor Daoust asked put these in order of what makes a hotel economically viable; 1) health of the tourism industry in the area, 2) room occupancy percentage, 3) room rates that are charged for the room and 4) room tax. What order would those be in.

Allen replied I would combine 1 and 2 because they are the same. So I would say, occupancy then room rate and finally room tax.

Councilor Daoust stated that is obvious and maybe it was a leading question. Room occupancy rate and the health of the tourism industry is much more important to a hotel then room and tax is. That is the conflicting information that we are having to deal with. The Oregon Convention Center

improves the tourism industry and it also improves, especially if it is expanded, the room occupancy rate. Those are the top two things on your list and that is what we are struggling with. That substantial argument is on one side and yet we are over here having to argue about a room tax that is last on your list.

Allen replied I am not saying that it is not great for the hotels in the general area, but you are Troutdale and you should be watching out for the businesses in your City and not being concerned about where the downtown guys are going with their room rates.

Councilor Daoust stated I think we are all concerned about the Troutdale hotels. You can make the argument that the Oregon Convention Center benefits the Troutdale hotels.

Allen replied you can make that argument but I can't.

Councilor Daoust stated we have a brand new hotel being built here in Troutdale right now. When they do marketing research to build a brand new hotel, don't they do market research that would include the Portland Metropolitan Area when they decide to build in Troutdale?

Allen replied yes they do. I have read and had a lot of those studies done. Sometimes they are done for a legitimate reason, sometimes they are done to get a loan. They don't necessarily tell you what you need to know to operate your business. I know for a fact that the statistics are really questionable.

Steve Ellis with the Phoenix Inn in Troutdale, I also represent Vips Industries which owns the Phoenix Inn in Troutdale. They own six hotels total around the Portland Area, five of which are not in Multnomah County so they won't be affected by this tax. I am here representing them in opposition of this tax. We oppose it because we do think it is an unfair tax. We do not believe that the room tax is fair to begin with but this one is especially not fair because it taxes a local community to support downtown Portland's expansion of the Convention Center, Civic Stadium and Performing Arts Center we believe those benefit only the downtown Portland hotels and most of the occupancy would go to the Portland hotels. We do not get a lot of the business from the Convention Center as it stands right now. We have heard the word compression thrown around that when the downtown area gets booked up with rooms that we get a lot of travelers, that happens very rarely, maybe once a year. Conventions are not the main business of hotels. All of the hotels that we operate right now do not depend on conventions or that type of industry. The hotels depend on mostly the corporate business that comes to town. Right now the whole hotel industry, especially in the East County from 181<sup>st</sup> out, is all overbuilt and we are suffering in our occupancy rates. If the Convention Center goes through as it is proposed, what is to stop them from building an 800 room hotel in downtown Portland and taking them all away from us anyway. Someone is going to go down there and collect all those rooms if there is that many rooms to collect in downtown Portland, do you think they are not going to build a hotel there. We are too far from Portland for people to stay in Troutdale for conventions, we are too far to get the compression. The president of Vips Industries has authorized me to tell you that we are opposed to this tax.

Mayor Thalhoffer asked what is your occupancy rate this month?

Ellis replied about 45%

Mayor Thalhoffer asked what about this year?

Ellis replied 60%. Five to six years ago, when we were not overbuilt, we were running at 90% year round.

Mayor Thalhoffer asked if the convention center were expanded and created all these new jobs and gets the larger conventions, do you think that will help you by the way of compression?

Ellis replied I don't think it would help enough to make it worth the tax that is collected.

Councilor Kight stated it has been proposed in the past that if we had something locally in the form of an exhibit hall that we could move in large pieces of machinery plus a conference center combined. We are aware that McMenamins is going to build a convention center but it is not an exhibit hall where you could set up booths and displays and move in large pieces of machinery. Do you think it would help your industry out here if we had such a facility in the Troutdale or Gresham area.

Ellis replied properly marketed it would bring in people to this area first. Being next door to something like that is better than being 15 to 17 miles away.

Councilor Rabe asked if I were to call you and ask you for a quote on a room for the night, would that quote include tax?

Ellis replied to begin with it wouldn't, we would say the rate plus the words "plus tax".

Councilor Daoust asked can you tell where people are coming from when they stay at your hotel? We talked about the idea that the pre and post convention people that want to get out of Portland and travel would be one of the attractants of East Multnomah County. Can you tell if people are coming from a convention?

Ellis replied certainly. We track where our guests come from.

Councilor Daoust asked we don't have a marketing plan in East County for tourism do we?

Ellis replied the Troutdale Chamber is in the process, after getting the .95% of the room tax from the City.

Councilor Daoust stated so you are more comfortable with that plan that is being developed versus the marketing plan of the Oregon Convention Center?

Ellis replied I am much more comfortable with anything that would be local. I don't believe that tourism in downtown Portland is the same as tourism in Troutdale.

Councilor Daoust stated so it would be okay with you if just the four cities of East Multnomah County were to propose a 2.5% room tax to go towards tourism in East County, you would support that?

Ellis replied it depends. Dollar for dollar we would have to see what it is going for.

Councilor Daoust stated I guess that is what I am struggling with. Currently we don't have much out here that it would go for. At least there is a plan in place with the Oregon Convention Center that would peripherally affect us, I think.

Ellis replied the fear we have is that the peripheral here in Troutdale would be temporary if any, until someone took those rooms away from us by building more hotels in Portland.

Councilor Ripma asked you live in Troutdale and your business is a member of the Chamber of Commerce and you would prefer that we do not endorse this tax?

Ellis replied yes.

Mayor Thalhofer asked was the vote by the board members of TCLA a legal vote or do they need to go from there to the membership?

Ellis replied as far as I know that was a legal vote. They were authorized to do that just being elected as board members just as you are elected officials. As far as who was at that meeting, I don't know. I got a list and our name was listed on here and it sounded like we were backing this by the way they wrote this out and we were not.

Rod Park stated the first thing in response to Mr. Allen is the survey that I was referring to was not his, so I apology if there is any misconception as to what we are discussing. The way you phrased the question was quite well. Metro is not involved in the tax itself, however we are the beneficiary which puts us in a very unique position. It would have been very easy for me to stand by and let the MOU go as proposed which was to fund another cities facility from the East County cities and as I said before I don't think that is fair. I am in a unique position as beneficiary, in terms of the expansion of the Convention Center, but not having a direct say in the tax, and I think that would be an interesting question to ask Multnomah County as this winds its way through. However, as elected officials like yourselves, we are presented with certain facts and issues. Could this be done differently? Yes, it was tried differently, but the voters said no. Was it tried this way based upon the way the industry itself came up with a self tax? Yes. Now you have dissension within that particular group, but I have to say that is something that they will have to settle. We can only go on what is being presented to us. How the County goes about this will be interesting. Primarily my resolution is supporting the regional facilities, which I would hope in essence Troutdale does want to support regional facilities such as the Convention Center. However, the other primary part of the resolution is to get that portion of the Civic Stadium back to this area. It has been mentioned that whether you go up, down or sideways most likely this will move ahead in some form. The question is, where does Troutdale want to be in this particular process. You have in front of you two resolutions, one of them is looking forward and one is looking back. I have heard a couple of times tonight that we don't get any convention business. If you are going to market yourself as strictly convention, then I suppose you are right. I would challenge you to move beyond that and market yourself in East County a different way. Go after the edges, go after the parts that other people aren't doing, take advantage of your strength and make it happen.

Mayor Thalhofer asked what percentage of direct and indirect benefit does Multnomah County get out of the Oregon Convention Center?

Park replied the last numbers I saw, provided by the Portland Oregon Visitors Association is 68%.

Mayor Thalhoffer stated Mike McMenamin is not opposed to this and he is going to be building a small to medium size conference center. I would imagine that when he develops the Pig Farm, that is going to be a real big draw out here. The marketing plan that is being referred to, is there any way to get even more consideration on this from the County and City of Portland, even more than we have now. In other words a strategic marketing plan, can we get one of those put into place immediately?

Park replied it is going to take some time for the money to start flowing into the Visitors Development Fund as projected. The Portland Oregon Visitors Association (POVA) is willing to step up and start that marketing plan now. They are asking for some matching help from the cities to make that happen. I do know that the Gresham Area Visitors Association has linked their web site. They are in the process of coordinating their advertising. Gresham devotes \$100,000 from the 6% to fund the Gresham Area Visitors Association. The answer is yes you could do something immediately, there is something in the works now, I guess it depends on the consensus and the level of where you think who should help pull the load and not pull the load.

Mayor Thalhoffer stated as I understand it POVA is willing to put in \$5,000, half of the \$10,000 it would take to get a marketing strategy and the other four cities are to come up with the other \$5,000. I am wondering, are there any other funds available beside coming from the cities to put this into effect immediately. A strategic marketing study which would then become a marketing program which would bring more business out to East Multnomah County would be a great thing to be able to start. Is there any chance of someone else coming up with the \$5,000. The City of Troutdale doesn't have the money, the City of Fairview expressed they didn't have the money, Wood Village doesn't have the money and Gresham probably doesn't have it either for this purpose. Can you think of any other way that we can get this going immediately?

Park replied I don't have an answer for that. I think POVA is putting something forward that they don't have to do. They don't collect any dollars out here other than membership dues.

**MOTION: Councilor Daoust moved to adopt the Resolution in support of the limited hotel/motel and vehicle rental tax increases for use as a regional funding source for only regional facilities owned or operated by Metro and further supporting Metro Resolution 99-2871. Seconded by Mayor Thalhoffer.**

**Councilor Daoust stated this is a tough one. I am trying to look ahead like Rod Park suggest we do. The way I view this is it is not an either or type of thing, I think that we have a situation where 1) we can support a regional facility, 2) we can help build facilities out here that will bring our motels more business. We are talking about this like if we support this motel tax that we have crossed out all of our other options to help tourism in East County. I don't buy that, I think we can do both and I think we need to do both. I don't think we can focus on just Troutdale and make the tourism industry boom just in Troutdale. We have to be a regional player in order to succeed in tourism. There is something to be said for teamwork when it comes to the tourism industry. I think we really do need to be part of the team that supports tourism in the whole Portland Metro area in order to make Troutdale a better part of that team. I don't want to hurt the motels in Troutdale anymore than anybody else on this Council does. The Oregon Convention Center brought in 4.9 million people so far. I really think that this could be a win win situation. I really think that the region needs**



to be competitive. I think that East County hotels have a niche that they could take advantage of, they have less expensive room rates, pre and post convention travel in and out of Portland that could be developed out here. But it won't be developed if the Oregon Convention Center doesn't expand. The argument that we are taking money out of our economy, I am having trouble with that one. The way I see it, we are redirecting the money to an existing marketing plan. The argument that the tax puts East Multnomah County motels at an economic disadvantage, I am having a hard time buying that one too, because I look at stuff like room occupancy, the health of the tourism industry which carries much more weight in the economic viability of the motels here in Troutdale. There are counter arguments made by the Columbia Gorge Outlet Mall, and granted they are not motels, they have stated "as the number of convention delegates using the convention center grows, we expect to see an increase in visitors traveling to East Multnomah County. A increase in visitors means an increase in dollars spent at our local businesses including restaurants, hotels, transportation companies and retail and outlet stores". To me this doesn't sound like taking money out of our economy. Even the Mt. Hood Area Chamber of Commerce in Welches, Oregon stated "more and more convention delegates are extending their way in our area to travel to our different points of interest". They are way up in Welches, they can see the benefit of the Oregon Convention Center expanding. The bottom line is Mt. Hood Community College Hospitality and Tourism Program supports it, Multnomah Greyhound Park does, Troutdale Airport supports the tax, granted they don't pay it but they can see the benefit of supporting this tax and the Oregon Convention Center expansion. Right now Troutdale is not quite a destination tourist point, we would like it to be, it is moving in that direction. The Portland area is a destination tourist point. So far, corporate business has not kept the hotel rooms full, there is nothing that we have currently that keeps the hotel rooms full. The only hope we have is in investing in and being a part of the team and making that part work in addition to hoping that we can help develop facilities out here in East County. I think we can do both and that is why I want to support this tax. I think we really do need to be regional players here to survive, plus the fact that we are surrounded by supporters. Here we sit as the Troutdale City Council, with the City of Gresham, Fairview and Wood Village, their Council is supporting this tax, and here we are sitting here debating whether we are going to be team players when all the rest of the players in our neighborhood are supporting this tax. I would like us to be a part of that team.

Mayor Thalhoffer stated the main point to me is asking what kind of a tax this is, and it is a user tax. I want everybody to understand that this is not a tax on the property or income, it is a tax on people who use hotel and motel rooms. I don't take that lightly either because any kind of a tax is not agreeable with people. This type of a tax is paid by the user of the hotel. It doesn't appeal to me to have this kind of a tax, this much of a tax, it goes against my grain as much as any other tax except it is not on our people. I do feel compassion for the hotel and motel owners that have to compete for business. My understanding is that we have a 44% occupancy rate and I understand that the primary reason for that low of an occupancy rate is due to overbuild rather than the lodging tax. To me it would seem that at 44% there is only one way to go and that is up because you are getting pretty close to where it is not at all profitable. The proceeds of this tax are going to fund regional facilities. The Oregon Convention Center is an important part of our regional facilities, and we need to keep it competitive. If it is not competitive you are going to see further decline in revenues. On a table we have here, 1994 was the high point and thereafter the summary of total economic impacts generated by Oregon Convention Center operations declined. One of the reasons given for that is because they can't get some of the conventions that they would normally get if they could expand. I think that we, living in this county only 15 miles from the Convention Center, need that facility and we rely on it for many activities. I believe we

should support regional facilities, I think we should support the Performing Arts Center because many people from East County go to that facility. One of the ideas that has been floated is that we can take the 2.5% increase and build our own convention center, and I say to you that is probably the worse thing that we could do at this time. This City Council has pretty much made a deal, at least I thought we did, we asked Mike McMenammin if he would provide a small to medium size convention center and he agreed. He is also going to put in a performing arts center. I am concerned that we have asked him to do this and now we are talking about taking 2.5% increase in hotel/motel tax and build a convention center for small to medium size and I say where. McMenammins already has one coming on and if we build another one out here then we are going to run the risk of actually torpedoing his project to the point where he will not be able to economically put that one together and keep it running. We should have told him that along time ago, that we don't want that, we are going to build one ourselves with hotel/motel tax money. We did make a deal with Mike McMenammin and now we are going to give him competition to the point where maybe he will figure out something else to do with his property. When we ask somebody to do something and they agree to it then we ought to stay the course and we shouldn't be providing competition for him right off the bat. We need to market our area. POVA and the Convention Center will help market our area and we can make sure that they do a better job of that because I don't think they have done a very good job. I think it is a little alarming to me that even POVA who has volunteered to do a strategic study for tourism promotion which will cost \$10,000, they have agreed to pay \$5,000 but they want the other \$5,000 from the cities who they want to impose a 2.5% increase in tax to the hotels, I don't think we should have to pay a dime to have this study done. I think that should be financed by somebody else. We need to get that study done immediately and we need to insist upon that as part of this overall package. It is not easy to take the position that I am taking, but I feel for the betterment of the region we need to do that. Multnomah County is going to make a decision on February 3, and they can make the decision that imposes this 2.5% tax and leave us with nothing. The Rod Park Resolution, which is the one that Councilor Daoust made the motion on, gives us something. It gives us the money that would normally go under this scenario for Civic Stadium which is not a regional facility. We are sitting on a gold mine in Troutdale, we have so many amenities in this area. We have the Columbia River, Sandy River, Airport, Mt. Hood, McMenammins, Multnomah Falls and the Gorge. People are discovering it and it is just a matter of us capitalizing on it and promoting it and we need to start now. The pre and post convention business is there for the taking if we just promote ourselves. In summary I say, although I don't like voting for this 2.5% tax increase, I intend to for regional purposes, to be regional players and to ultimately put more people in our hotels and motels to create more business for the folks out here. It is going to happen whether we are for it or against it.

Councilor Thompson stated there are only a couple of issues that determine my vote on this thing. The fact is these are regional facilities and they should be paid for by regional taxes and not by singling out the four cities who are regional players but not in the same area as Clackamas and Washington County who are not going to be supporting this tax. Nobody I am sure is against expanding the Convention Center or Civic Stadium for that matter, the question is how the financing is going to occur. If this financing should go down now, they will come up with other ways to finance it just like when the regional vote on the facilities failed this is just another attempt to finance it in what I believe is an inequitable manner. I think that it is obvious from what we have heard tonight that the motels don't support the tax. It always bothers me when the excuse to pass a tax is that somebody else is going to pay it, that is bad policy. If the hotel/motel tax is so good maybe we ought to shove some other financing off on it, because we aren't the one paying it. For that reason I am going to

vote no.

Councilor Kight stated I talked to Mike McMenamin personally and in explaining to him the idea of the concept of having a convention/exhibit hall here in East County to service small to medium size conventions. When I spoke to him he was in favor of that idea. He saw that as a plus for his convention center conference rooms that he was going to build, he did not see that as direct competition. I had that conversation about 45 days ago, so I don't know if he has since changed his mind. I am not going to be supporting this resolution.

Councilor Rabe stated I want to commend Rod Parks efforts to mitigate this situation. I also do agree with Councilor Daoust's proposal that we do need to find a way to market East County. I do not support the tax. There are many endorsements in our packet and I notice that few if any of them are actually from the lodging industry. There is a compelling argument that the lodging industry is not in agreement on this. If they came here and said that they endorse this and it would be a beneficial proposal then I would be more than happy to endorse it myself. There was a comment about the retail benefit being good to some of the retail stores, that is very likely to be true but unfortunately I believe those people don't stay here. I had a thought in regards to when we endorse these things, are we in some way sending a message to the County that we do or don't support some of their initiatives and do they look upon us as those that endorse us we will take favor or better notice for our individual municipal needs. I would hate to think that we are in a situation where we need to vote for something that we do not fundamentally agree with because down the road we think that it would send a message that we are in some way or another collaborating with another agenda, saying yes to this means that you will listen to us when we ask for a sidewalk or road improvements that we will get put to the top of the list. I certainly hope that is not what is happening because we are all equal partners. I have no evidence that any thing like that is happening, but I have a feeling. By saying that I oppose this, I would hope that we might force the hand of the county to maybe come up with a different way to finance this thing. The citizens have said no, so now we are trying to be creative and come up with a way to pay for this expansion which I agree would be a beneficial thing.

Councilor Smith stated we are a part of Multnomah County, but we are so far out we are at the end of the line. I feel that 17 miles out, we actually will not and do not benefit by going with this tax increase. I feel we should look after ourselves, our own motels, our own businesses and if we put in our own small convention center, fine. Councilor Daoust stated that the Troutdale Airport is for it, of course they are, they are at the Port of Portland. Welches was for it, they are on the way to Mt. Hood. I have never talked to anyone that has been out here shopping that was at a convention. The motels themselves with 30 to 50% occupancy in Troutdale, I think we should be looking out for our own instead of Portland. If they expand the Convention Center, you can bet that they will build more and more motels to accommodate all the convention people. I am not for the tax to start with, but if Clackamas and Washington County chipped in, it would have a better chance. I can not vote to send money to Portland and Multnomah County to do what they want with it. At the Four Cities meeting it was said that all this money was going to go into a general fund, that means that the money can be spent the way they want to spend it. As far as money back to the city, eventually if there is any left over it would be at their discretion. I feel it is a bad deal.

Councilor Ripma stated I don't believe Councilor Daoust that your resolution corresponds to the way the tax is going to be passed. Your resolution purported to say something like we won't contribute to the Civic Stadium in Portland. It is not true, we are going to end up contributing if this tax is adopted. The IGA that Metro and the City of Portland are

hammering out, essentially the money goes to the Convention Center, the Performing Arts, Civic Stadium, the Oregon Convention Center operating deficit, Tri-Met to expand the Fareless Square, Visitor Development Board funded to the tune of \$500,000 a year and there are other uses for the money. Our share of it that we are suppose to get back, under the terms of the IGA, is going to come out of the operating profits of the Civic Stadium, the Portland facility, net reasonable operating maintenance cost and reserves for operations and maintenance. So if you think we are going to get a dime, you are dreaming. This is not a good deal for Troutdale. I am very sorry that the County is even considering it and I am disappointed that Metro would even consider it. I think Rod Park means well in his attempt to strike a fair deal, but it can't be done. The other thing that bothers me is that the supporters are those who are not paying the bills. I am always suspicious of people who support something when they are the ones who gain but do not pay, since we are civic officials we need to keep that in mind. Since when do we want to follow Gresham, Fairview, and Wood Village just because they made a mistake, that has never been our motto, we go our own way and we think independently. I think we need to send a message to the County. I agree with several other Councilors, in the way to send a message here is if we don't want to do nothing, lets do something right, lets turn this one down and send it back to the drawing board and get it right. I urge a no vote on this motion.

YEAS: 2  
NAYS: 5 (Thompson, Kight, Rabe, Smith, Ripma)  
ABSTAINED: 0

**MOTION:** Councilor Ripma moved to adopt Resolution 7B, not supporting the hotel/motel and vehicle rental tax increases for use of regional funding source for properties owned either by Portland, Metro or Tri-Met. Seconded by Councilor Kight.

Councilor Ripma stated I will just read the conclusion, now therefore be it resolved, to not hinder the industry of commerce and make our hotels and motels non-competitive to other counties in the region.

Councilor Kight stated the issue before us is should the City of Troutdale allow the taxation of our hospitality industry to make improvements to properties owned by the City of Portland. Two of the properties owned by Portland are the Civic Stadium and the Performing Arts Center. If you are considering answering in the affirmative you might want to consider the consequences of that decision. Portland is also looking for other funding sources for their city parks and I have been told by Portland City Commissioner Jim Francesconi that he would like to have Troutdale participate in funding their park improvements after we help fund the remodel of the Civic Stadium and help pay for the capital improvements and operating expenses for the Performing Arts Center. Sounds outrageous, and it is, but keep in mind Multnomah County is the only County paying operating expenses for the Metro owned and operated regional facility known as the Oregon Convention Center. Washington and Clackamas County do not pay a cent towards the operating expenses. What this does is set a dangerous precedent, and it opens the door to other projects that could be considered regional, but in fact only taxes properties in Multnomah County. Should the City of Troutdale fund the Metro owned and operated Oregon Convention Center when we are the only sub-region paying for these facilities. As mentioned we are already paying 3% more than the other counties for operating costs.

Washington and Clackamas County are looking at making improvements within their counties to augment their hotels and motels. Their hotel/motel tax rates are 7% and 6% respectively. Troutdale's tax, with the addition of the 2.5% hotel/motel tax, will be 12.45%. Why should the City of Troutdale allow the taxation of their hotel/motel industry over the objections of the majority of the hotels and motels in our City. We have had a \$9,000 decrease in revenues to the City of Troutdale in this last year alone. We have had two years of decline of revenues to the City because of the overbuilding and I feel the non-competitive hotel/motel tax. We now have letters from the Travel Center of America, Inn of America and Motel 6 stating they do not support this tax. They all express that the higher room tax will hurt their business because the tax will be double the other counties. Who are we to be so presumptuous that we can tell our hotel/motel operators what is best for them. Who among our electives has owned, operated or managed a hotel/motel facility. Why would we ignore the managers of these properties and allow them to be penalized by having the highest hotel/motel tax of the three counties. Isn't it our duty as elected officials of Troutdale to protect our businesses from other government jurisdictions to have such an unfair tax. Who represents the hotel industry in Troutdale if it isn't this City Council.

Councilor Daoust stated it is too bad that we are losing hotel taxes, they are decreasing and that is a good point, because the rooms aren't full. I just saw this as a hope to remedy that. I think that the statements in the Resolution where it says that the hotels and motels would be made non-competitive, I think that is blatantly untrue. We had hotel operators themselves say that hotel tax was not the top influence on whether a hotel is competitive or not. You can keep it in there, but my two cents is that it is a false statement, so I am not going to support the motion.

Mayor Thalhoffer stated I made all my arguments before, but I didn't touch on the Washington and Clackamas County argument. They have other problems besides this one and they don't benefit nearly as much from the Convention Center as Multnomah County does. It is too bad that they aren't involved in this, they should be. They should be involved as members of our regional area, the fact that they aren't doesn't speak very well for them as far as I am concerned. The fact that they do not participate, although I do not approve of it, still does not stop me from being a regional player. I am going to vote against this motion.

Councilor Smith stated I support this motion for the simple reason that I feel when a lot of money is spent pushing something, you need to stand back and look at the other side. It's too bad other towns haven't asked their business people what they thought before they went ahead and approved the resolution. Troutdale is a growing community and we have to look out for ourselves. I am glad that we are taking a stand for the way we feel instead of voting because of what somebody else does.

YEAS: 5  
NAYS: 2 (Thalhoffer, Daoust)  
ABSTAINED: 0

**8. REQUEST: Request for deviation from Public Works Construction Standards.**

Mayor Thalhoffer called this item.

Joseph Elkhall stated I represent the applicant Mr. Haddad, on this property he is trying to develop

a 10 unit row homes on Halsey. He is asking for a variance on the public road. The property is a couple hundred feet deep and that is the best way he can utilize his land. He was originally thinking about building an apartment and then he decided that row homes would be more suited for this area. What he is asking for, as he is building the row homes, actually he will have a driveway with double garage for each unit, so he will have four parking spaces on the property. The street will not be used for any parking. He is asking for the green area between the curb and the sidewalk to be eliminated for that reason. If he can not have that five feet of the greenway then he can not have the setback in the back of fifteen feet.

Councilor Kight asked is there a way he could build less units?

Elkhal replied that is not going to help.

Councilor Kight stated is there a possibility he could build smaller units?

Elkhal replied if he makes it smaller it will not be a benefit for him.

Councilor Rabe stated so we have a square foot problem, there is just not enough space to do this. The owner has not considered reducing the density or the size of the residents so that they can fit the provisions in. Obviously it is going to be a money issue.

Elkhal replied correct, it will be a money issue. He is not really asking for something special, I have seen those row homes built right on the street and a small setback. He has meet everything except that five feet of greenspace which does not really benefit the City or anybody because it is mostly driveway.

Councilor Rabe stated I would suspect that staff informed you that part of the reason that we have those original provisions in that overlay was for reasons of desirability and also emergency vehicle access.

Elkhal stated I think you could have access to the fire 150 feet from Halsey, which is the main street, and they could use hoses to fight the fire without going into the street.

Councilor Daoust stated since the variance requested has to do with a road, is there an option where the row houses could be built without a road and still fit seven row houses, four in front and three in the back with a driveway that goes to the back.

Elkhal replied it is another street except instead of being 28 feet it can be 25 feet.

Councilor Daoust stated if we don't feel like going along with the variances, what is plan "B"?

Elkhal replied we would have to go to an apartment if we can't put in the row houses.

Councilor Ripma asked I can't think of a time when we have done this sort of thing that you are requesting, which is waiving our street requirement. Is this site otherwise unbuildable in some way?

Elkhal asked will you let us go 10 feet instead of 15 feet in the backyard as a setback?

Councilor Ripma replied that is part of our Development Code and would have to go to the Planning Commission. The other thing that might justify it in my mind is if you are dedicating a lot of land for public green space, is there any other compensating open space that you are providing on this property?

Elkhal replied for a small area we don't have the acreage to donate a green area.

Mayor Thalhoffer asked Mr. Galloway has this been to the Planning Commission yet?

Galloway replied no it has not. I think the applicant has met with both the folks from Community Development Department and folks in my department and has gone through the pre-application process. In doing so he has raised the issue of possibly developing a width of a street which would be significantly less of a cross section than our standards allow. We advised him that at staff level I did not feel that I had the authority to deviate that significantly from the adopted standards. The construction standards are not typically reviewed and acted upon by the Planning Commission. However the issue of setbacks would be something that the Planning Commission would review and act upon. Our standards call for a 50' right-of-way and the applicant proposal is to have only 38'. He proposes to do that by eliminating a 5' wide landscaping strip on either side of the street which accounts for 10 of those feet. I think the basic issue is whether a deviation from the standards of eliminating a landscaping strip is something you are comfortable with or not, certainly from staff level we did not feel comfortable making that decision.

Mayor Thalhoffer stated you could submit this to the Planning Commission if you want to pursue some of the other alternatives that have been suggested?

Faith replied I think the answer to your question is yes. If you rule against the applicant on the variance request for the right-of-way width and pavement width of the road, they are then in the position to actually submit an application that would go to the Planning Commission that involves a number of other variances from the standards that are in our Development Code. Your focus here is the road, because the Planning Commission does not have the authority to deviate from Construction Standards from Public Works, but they do have the authority to grant variances from other dimensional standards that are found in the Development Code.

Elkhal stated I am an engineer and to me it would be beneficial to not have that green area along the sidewalk because it is not beneficial specifically for row homes because most of the area there is a driveway.

Councilor Ripma asked is that setback in the front something that the Planning Commission considers? Can you build row houses in Troutdale right on the street?

Faith replied in some zones, in this particular zone we do not have a zero front yard setback without the variance.

Councilor Kight asked when you are talking about the streets, you are talking about 28' of pavement, curb, landscaping strip and sidewalk, monumentation for a total right-of-way of 50' right?

Galloway replied that is the standard for the Town Center Overlay District, which is the area we are talking about, yes.

Councilor Kight asked it looks like in reading these drawings, you mentioned that there wouldn't be much of a landscaping strip, it looks like there is quite a distance between the two garages, wouldn't the majority of that be the landscaping strip? He has approximately 60' to 65' of landscaping strip.

Faith replied there is no landscaping strip in the front. He has a sidewalk and a driveway or a landscape strip between the units but there is no landscape strip that parallels the sidewalk.

Councilor Kight asked if the landscaping strip was there where would it be?

Faith replied because of the narrowness of these lots, there really is no place to put it because once you come off of the street you are in the driveway.

Councilor Daoust asked if you built apartments, how would you access the existing home that is behind there?

Elkhal replied it has a private driveway now and still would.

Mayor Thalhoffer asked if we eliminate the landscaping strip does that help?

Faith replied that is the request.

Mayor Thalhoffer stated but I thought we were going to lose the width of the road.

Galloway replied the right-of-way was being reduced as proposed but not of the paved roadway.

Councilor Ripma asked what about this 25' street?

Galloway replied I believe that is not intended to be a public street, it is proposed to be a private drive to access the three houses to the east.

Councilor Daoust stated so what we are losing is the landscaping strip and it says the curb but I can't believe we are losing the curb.

Galloway replied it is not addressed in the letter we received from the applicant. So I am not sure what their intent was, possibly they thought the 28' included the curbs, but in our standards it is an additional 1/2' on either side for the curb. That is why I made the comment that also the monumentation strip which is a 1/2' behind the sidewalk on each side is also not addressed.

Elkhal stated most of the area there can be driveway and the 18', the sidewalk is actually part of that driveway. We don't even need a sidewalk, so I think what this amounts to if we could eliminate that sidewalk and the greenway and have 18' driveway, we could make the street 32'.

Councilor Daoust asked do we need monumentation space on a street like this?

Galloway replied I think it is desirable. It an area where you can have rods or property corners. I think one of the issues that has concerned us is the future applicant that comes in and is not aware of the details that went into this. They are going to look at a plat and say that somebody in



Troutdale got a 38' right-of-way, we will do the same thing. You will have perhaps a series of such presentations like this as folks try to find out what our true standards really are.

Councilor Ripma asked the fact that we are being presented with houses that are so closely packed that have driveways that take up the entire front of the house is offered for a reason for now possibly eliminating a sidewalk altogether because it is irrelevant and the grass strip is irrelevant. I am not sure that we are thinking through the implications, is this necessarily what we want to encourage, that there is so much concrete that it gives us a reason to eliminate the little bit of green that was left. On the other hand I am sympathetic to what he wants to do, this is a fairly small development. These row houses might be better than apartments. I am concerned about eliminating the sidewalks. The issue I guess is the green strip.

Mayor Thalhofer stated it is almost 11:30 and we don't seem to be getting very far. Is there any information that would help us make a decision at another meeting?

Galloway stated I have heard more then one of you say that you are having a difficult time visualizing this, if the applicant provided a visual color coded map that would show the road, driveway, sidewalks, green strip would that be helpful to you?

Mayor Thalhofer replied yes.

Councilor Ripma asked could you also provide us with visualization of what the structures might look like?

Elkhal asked what information would you like me to bring?

Galloway replied what I suggested would be a plan that showed in color coding where the street is, where the sidewalk is, where the landscape strip, driveway and maybe a foot print of the building. Would that be possible?

Elkhal replied yes.

Mayor Thalhofer stated can you have this ready by next week?

Elkhal replied yes.

Mayor Thalhofer stated we will set this over until the first meeting in February.

## **9. DEPARTMENT REPORTS:**

Mayor Thalhofer called this item.

No additional comments were added to the Department Reports.

## **10. COUNCIL CONCERNS AND INITIATIVES**

Mayor Thalhofer called this item.

No Council concerns were brought forward.

**11. ADJOURNMENT**

**MOTION: Councilor Ripma moved to adjourn the meeting. Councilor Thompson seconded the motion.**

**YEAS: 7  
NAYS: 0  
ABSTAINED: 0**

Meeting was adjourned at 11:34

  
\_\_\_\_\_  
Paul Thalhofer, Mayor

Dated: 2-23-00

ATTEST:

  
\_\_\_\_\_  
Debbie Stickney, City Recorder

# CITY OF TROUTDALE PUBLIC ATTENDANCE RECORD

January 25, 2000  
CITY COUNCIL REGULAR MEETING

PLEASE COMPLETE THE FOLLOWING

NAME <small>(please print)</small>	ADDRESS	PHONE #
Jim Galloway	City Hall	665-5175
Rich Faith	" "	" "
Kyra Wiesinger	City Hall	665-5175
David Nelson	" "	" "
John Copeland	" "	" "
<del>Michael Coulter</del>		
SAM ALLEN	12566 SE 93 <sup>rd</sup> Clackamas	652-1515
April Christian	Portland OR	644-1400
Jaqueline C. Coulter	Troutdale, Ore	669-8772
Phil Peach	12724 SE Stark St. Port 97233	255-5135
Patricia Skovron	300 NE Powder Rd Corvallis	695-6113
Koreen Svobida	PO Box 30452 Port. Or. 97294	257-3369
Mike Oswald	2730 SW 25 <sup>th</sup> Ct. Gresham	661-3301
Adam Oswald	" "	" "
Ron Johnston	1918 SE 302 <sup>nd</sup> Troutdale	661-4414
Steve Ellis	1104 W Columbia Highway Trout	491-9574

-- PLEASE COMPLETE THE FOLLOWING --

NAME <small>↖</small> (please print) <small>↗</small>	ADDRESS	PHONE #
Shannon Turk	705 SE 10th	669-2091
Scott Worthington RLL	4351 SE 43 Place Troutdale OR	492-3899

DATE \_\_\_\_\_

PAGE # \_\_\_\_\_

# CITY OF TROUTDALE PUBLIC COMMENT SIGN-IN SHEET

January 25, 2000  
CITY COUNCIL REGULAR MEETING

PLEASE COMPLETE THE FOLLOWING

<b>PRINT NAME</b> <i>(please print)</i>	<b>ADDRESS</b>	<b>PHONE #</b>
Joseph T. Elkhal	4117 SW 5th Dr. Gresham	1-65-6540